

Message Text

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50

ACTION ARA-10

INFO OCT-01 ISO-00 ARAE-00 SSO-00 INRE-00 AID-05 CIAE-00

EB-07 FRB-01 INR-07 NSAE-00 TRSE-00 XMB-04 OPIC-06

SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 /051 W

----- 077530

O R 181520Z APR 75

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC IMMEDIATE 0848

USDOC WASHDC

UNCLAS BUENOS AIRES 2713

PASS EXIMBANK

E.O. 11652: N/A

TAGS: ETRD

SUBJ: CHANGES IN FINANCING REQUIREMENTS FOR CAPITAL GOODS

IMPORTS OF ARGENTINA

1. CENTRAL BANK (CB) CIRCULAR RC 524 DATED APRIL 15, 1975
INTRODUCES MODIFICATIONS TO THE FINANCING REQUIREMENTS FOR IMPORTS
OF CAPITAL GOODS PREVIOUSLY ESTABLISHED BY CB CIRCULAR RC 328
DATED JUNE 15, 1967 (SEE ANALES DE LA LEGISLACION ARGENTINA
XXVII-B PAGE 1939).

2. THE NEW SCHEDULE, WHICH SIGNIFICANTLY EXTENDS REPAYMENT TERMS IS
AS
FOLLOWS:

CUMULATIVE VALUE OF IMPORTS	TERMS OF CANCELLATIONS	FIRST INSTALLMENT AFTER SHIPMENT
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A) LESS THAN 10,000	NOT BEFORE 6 MONTHS	----
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B) 10,000 TO 30,000	2 1/2 YEARS	6 MONTHS
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C) 30,000 TO 50,000	3 YEARS	12 MONTHS
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D) 50,000 TO 100,000	4 YEARS	12 MONTHS
E) 100,000 TO 200,000	5 YEARS	12 MONTHS
F) 200,000 TO 300,000	5 1/2 YEARS	24 MONTHS
G) 300,000 TO 500,000	6 YEARS	24 MONTHS
H) MORE THAN 500,000	INQUIRE AT CENTRAL BANK	

3. MAJOR CHANGES IN APPLICATION OF SCHEDULE ARE: A) IN DETERMINING THE REPAYMENT TERMS FOR A PARTICULAR IMPORT ITS VALUE WILL BE ADDED TO THE CUMULATIVE VALUE OF IMPORTS EFFECTED DURING THE PREVIOUS YEAR. (FYI: WE BELIEVE THIS WAS DONE TO PREVENT IMPORTERS FROM DIVIDING THEIR ORDERS IN SUCH A MANNER AS TO BE ABLE TO ACCEPT SHORTER TERM FINANCING). B) THOSE IMPORTS OF CAPITAL GOODS FINANCED BY INTERNATIONAL FINANCING INSTITUTIONS OF OTHER FOREIGN OFFICIAL INSTITUTIONS WILL BE APPROVED WITHOUT REFERENCE TO THE REGIMEN ESTABLISHED BY THIS CIRCULAR. HOWEVER, IF THE CREDIT DOESN'T COVER THE TOTAL FOB VALUE THE BALANCE WILL BE SUBJECT TO THIS REGIMEN.

4. THE LIST OF PRODUCTS SUBJECT TO SCHEDULE REMAINS ESSENTIALLY UNCHANGED. ALSO MAXIMUM DOWNPAYMENT TERMS REMAIN BASICALLY UNCHANGED. FOR THOSE IMPORTS OVER 10,000 DOLLARS AN INITIAL PAYMENT OF NO MORE THAN 5 PERCENT ON PLACING OF THE ORDER AND 10 PERCENT AGAINST SHIPPING DOCUMENTS IS ALLOWED. IF NO PAYMENT AGAINST THE ORDER WAS REQUIRED 15 PERCENT MAY BE ADVANCED AGAINST SHIPPING DOCUMENTS.

5. FULL TEXT OF CIRCULAR IS BEING TRANSLATED AND TRANSMITTED ASAP.
HILL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IMPORTS, CAPITAL GOODS, CREDIT AUTHORIZATIONS, CREDIT AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BUENOS02713
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750136-1012
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750435/aaaabgcq.tel
Line Count: 95
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 08 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 JUL 2003 by maginmm>; APPROVED <30 JAN 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CHANGES IN FINANCING REQUIREMENTS FOR CAPITAL GOODS IMPORTS OF ARGENTINA
TAGS: ETRD, EFIN, XMB
To: STATE COM
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006